

WEDNESDAY, JANUARY 12, 1994 -- FIFTIETH LEGISLATIVE DAY

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IN JOINT CONVENTION

GOVERNOR'S STATE OF THE STATE ADDRESS

The hour having arrived, set by House Joint Resolution No. 359, the Senate met with the House in Joint Convention.

The Joint Convention was called to order by Mr. Speaker Wilder, President of the Joint Convention.

On motion of Senator Crutchfield, the roll call of the Senate was dispensed with.

On motion of Representative Purcell, the roll call of the House was dispensed with.

Thereupon, the Clerk of the Senate read House Joint Resolution No. 359 authorizing the Joint Convention.

On motion, Senator Crutchfield moved that the President appoint a Committee composed of six (6) members from the Senate and six (6) members from the House to notify the Governor that the Joint Convention is in session and awaiting his arrival, which motion prevailed.

Mr. President Wilder appointed a Select Committee composed of Representatives DeBerry, Chair, Purcell, Ridgeway, Bittle, McDaniel and Davis; also, Senators Patten, Elsea, Jordan, O'Brien, Wallace and Haynes.

Without objection, the Joint Convention recessed pending the arrival of the Governor.

The Joint Convention was called to order by President Wilder.

Without objection, the roll calls of the Senate and House were dispensed with.

Representative DeBerry announced the Governor of the State of Tennessee at the entrance to the House.

President Wilder asked the committee to escort the Governor to please come forward.

President Wilder introduced the Honorable Ned McWherter, Governor of the State of Tennessee.

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STATE OF THE STATE MESSAGE

Governor Ned McWherter

January 12, 1994

Governor Wilder. Speaker Naifeh. Members of the General Assembly. To the distinguished members of the Supreme Court. To the Constitutional Officers. To the members of the Public Service Commission. And most of all, to the people of Tennessee.

Late one afternoon just before the Christmas holidays, six young men and women from New York City joined me and the Constitutional Officers around the conference table in my office. The group had come for a firsthand look at Tennessee before making a recommendation to their board about our state's bond rating. We talked at length with the young people about the progress we've made in strengthening our finances in state government and rebuilding Tennessee's economic base.

Suddenly, the leader of the group turned to me and in one sentence summed up the state of our state. "Mr. Governor, we've been all over this country and I've got to tell you, there's something magical going on in Tennessee.

In a time when the discipline and creativity of every state government in America are being put to the test, the young man was right. There is something magical going on in Tennessee.

Historic changes are taking place in the relationship between the states that are attracting new jobs, and those states where the economy has faltered. After more than a century at the back of the economic line, Tennessee's economy today has become, without question, one of the strongest in America.

Tennessee's growth in personal income ranks third among the fifty states. Our unemployment rate that seven years ago was a point above the national average is today more than a point below the national average. With a strategy that spreads our new jobs across the state, the number of counties with jobless rates over ten percent has been reduced from 42 in 1987 to a single county in 1994.

In short, after seven years of quietly planning our work and working our plan, we gather today within reach of the vision that has guided every major decision of this administration. It is the dream that our children in every community of Tennessee can look forward to getting a job in the area where they grew up with the knowledge that, for the first time since the Civil War, the average Tennessean will make more money than the average American.

As we talked into the evening about the good things happening in Tennessee, the young people from New York eventually came to the question heard more and more around the country. Just what are we

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doing differently in Tennessee that makes all these things possible?

When many states can't seem to get past goals and task forces, how can Tennessee pass and fund one of the most sweeping education reform plans in the country?

When the prisons in two-thirds of the states are under federal court order, how can it be that Tennessee has the largest fully accredited prison system in America?

When there are states that continue to have enormous budget shortfalls, why does Tennessee have the largest rainy day fund in its history?

When our neighbors have had to cut funds for higher education, how can it be that over the last two years Tennessee has increased funding for higher education more than any of the fifty states?

How does one explain why health care reform is gridlocked by the special interests in state legislatures across the country, while in Tennessee we are embarking on the most creative new health care program in history?

To those who really want to know what makes Tennessee different, they must first understand that the dramatic progress we have made did not happen because of Ned McWherter. Our success has come from a tradition that is greater than any governor or political party.

We have emerged among the nation's leaders in economic growth, in education reform, and in health care reform because no governor in America could have a legislature more responsible and more cooperative than the Tennessee General Assembly.

I make this statement knowing it is fashionable among many to criticize government. It is no secret that a large portion of the American people no longer believe government can provide decent services at a reasonable cost. In many instances, this lack of confidence is justified.

But it is also true that some governments and some legislative bodies have done their best to travel a different path. Many forget that we are traveling a journey with few road signs to mark the way, and with experts always ready to give conflicting advice about the direction we should take.

Early in this administration, I stood with this legislature at a fork in the road. In one direction, the road appeared to go downhill, making it easy to travel without sacrifice. In the other direction, the road was steep and narrow, with no guarantee of success at the end of the journey.

Seven years ago there were voices urging quietly that Tennessee follow a number of other states and take the easy road. We were told that we could address our education problems by establishing goals and creating task forces that never had to produce results.

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We could avoid dealing with runaway health care costs by coming up with clever plans to generate more federal matching dollars to fund a system that everyone knew was out of control. If these actions left us in debt we could always make sure the budget looked good by floating bonds, dipping into our pension fund, or rolling a large part of our debt into the next fiscal year.

I took a hard look at this road. I took notice of the states around the country that were already on this road, and I decided as governor it was my responsibility to lead Tennessee on a less traveled path.

I asked the members of this body to resist the temptation to look for a quick and easy solution.

Common sense told me if it was critical for international companies like IBM and General Motors to downsize in order to remain viable, it was just as important for government to downsize. Forsaking the easy road, I asked you to join me in rebuilding an economic base strong enough to attract good jobs to every region of the state.

Governor Wilder, Speaker Naifeh, to your everlasting credit, the House and the Senate, Democrats and Republicans, have come together in a way found in few other states.

In 1987, the legislature appropriated a record \$50 million for the administration to use in providing infrastructure for the specific needs of new industries.

In 1989, the legislature secured funding to pay on a cash basis for the largest road and bridge construction program in Tennessee's history.

In 1991, you enacted a solid waste plan that for the first time has provided an alternative for fifty rural counties to join together to manage their waste at less cost.

In 1992, to the surprise of many, you passed and funded an education reform plan that already is reshaping the future of Tennessee schools. Sixty days later, you amended Tennessee's workers compensation laws with changes that have enabled us to resolve 40,000 cases without a trial.

In the 1993 session, we made the most dramatic decision of all. We said in a voice loud and clear that it was time for Tennessee to take the lead, withdraw from the national Medicaid program, and regain control over the financial stability of our health care system.

And throughout it all, when times were good and when times were tough, together we operated a state government that for the last two years has been voted the best managed state government in America.

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Nearly seven years have passed since we set out together on this road. My travels across the state tell me the majority of Tennesseans believe we have taken the right road. By restoring public confidence in government's ability to manage their money wisely, you have made it possible for us to move boldly in areas that seven years ago few would have predicted.

In the autumn of my career, it is tempting to look back at the tremendous progress we have made and convince ourselves there is little more that needs to be done. But as surely as sacrifice and hard work shaped our present, they will continue to color the shape of things to come. And just as surely as they have in other states, the gains we have made will slip away if we stray from our course.

For this reason, I am committing the final year of my administration to initiatives that will strengthen and consolidate the progress we have made. To continue the momentum in our education reforms, I will ask the legislature for the second largest funding increase in history for Tennessee's K-12 classrooms.

To maintain our record pace of economic development, I will ask to strengthen our economic incentives and for the first time to aggressively promote Tennessee on television throughout Europe and Asia.

In our prisons, I will ask for funds to build 1000 more beds and seek your help in expanding the state's system of prison industries.

And finally, I will do everything in my power to protect the integrity and the quality of the TennCare program. I have no illusions about the difficulty we will face in putting in place the greatest change in the history of our health care system.

When I came to you last spring, I asked you to take a leap of faith and grant me the chance to salvage a health care system on the verge of collapse. You showed your confidence in me. Because of your cooperation we have the historic chance to secure our financial stability, begin true reform of the welfare system, and make affordable health care available to every man, woman and child in Tennessee.

Over the next twelve months, I will have no higher priority than implementing the TennCare program and earning the trust you have extended to me.

I close by urging the men and women of the legislature to keep in perspective the scope of what is taking place in Tennessee. There has not been a day in my 63 years when the outlook for our children and grandchildren in Tennessee was as bright as it is today.

The next few weeks will test your patience and distract you from the course we have chosen. In the face of all that comes, stay on the high road and remember the words that echoed that night through the marble halls of the capitol.

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"There is something magical going on in Tennessee."

President Wilder recognized Senator Ford for introduction of Miss America.

Senator Ford moved that the President appoint a Committee to escort Miss America to the Well.

President Wilder appointed Senators Ford, Chair, Harper, Greer, and McKnight; also, Representatives Kisber, DeBerry and Haun as the Committee to escort Miss Tennessee and Miss America.

President Wilder recognized Miss Tennessee and Miss America for remarks.

Mr. President Wilder relinquished the Chair to Mr. Speaker Naifeh, as President of the Joint Convention.

The purpose for which the Joint Convention was called having been accomplished, Mr. President Naifeh declared the Joint Convention dissolved.